

FEBRUARY 2017

BITCOIN  
now trading at  
**\$945**

# CRYPTO CHRONICLE

## MAN MAKES **\$1.3 MILLION ACCIDENTALLY** BUYING A HOUSE WITH **BITCOIN**



In a recent interview with Bloomberg Markets,

Bitpay CCO Sonny Singh told the story of how the bitcoin payment processor helped a man purchase a house with bitcoin and how this individual unintentionally made **\$1 million** on the exchange from bitcoin to U.S. dollars.

*“He had an offer to buy a house, and the purchaser wanted to pay in bitcoin.*

The purchase price was roughly \$4 million.

Singh went on to explain that the bitcoin price was at **\$750** when the transaction to purchase the house was initiated. By the end of the transaction, the bitcoin price was **\$1000**. *“So the buyer actually ended up making about 25% in the currency exchange rate, essentially, in the appreciation,”* said Singh.

According to the numbers provided by Singh, the buyer of the home was left with an extra **\$1.3 million** after the purchase of the home.

*“With that extra money, he went and bought a Lamborghini at Newport Beach, Orange County, which also accepts bitcoin with Bitpay,”* added Singh.

**How the IRS could cripple cryptocurrency** Page 3



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PRODUCED BY THE PNLTF A DIGITAL CURRENCY COMMITTEE BASIS FOR MEMBERS OF THE ASSOCIATION. THE DIGITAL CURRENCY TEAM CONSIST OF RON BROSLEY, DOUGLAS HANSON, GLENNA TROUT, LISA JOHNSON AND JOHN BISHOP.

# We Accept Bitcoin!

JANUARY 2017 AND THE TOP FIVE COMPANIES ACCEPTING BITCOIN WERE ANNOUNCED



## 5 **Dell**

Dell started accepting Bitcoin in 2014, it is one of the largest personal computer companies in the US.

## 4 **Cheapair**

Cheapair is a New York based company founded in 2005.

It provides a service similar to Expedia allowing you to book flights and hotels.

## 3 **Overstock**

Founded in 1999, Overstock is one of the largest US retailers based out of Utah.

## 2 **Steam**

Steam was initially released in 2003, Steam is a digital distribution platform which offers a variety of PC games to more than 89 million gamers.

## 1 **eGifter**

eGifter is a New York based founder in 2011. The reason it ranks so high is because it opens up an opportunity to spend Bitcoin at more places. eGifter provides a gift-card buying and sending solutions to users and businesses.

*"Bitcoin is cash with wings"*



*In November 2016, the IRS initiated a "John Doe" summons against Coinbase to secure information on suspected tax cheats that use the service. But rather than tailor a subpoena to a narrow group of likely tax-evaders, the IRS instead requested all transaction records between 2013 and 2015—an alarmingly broad net that casts Coinbase customers as possibly guilty until proven innocent.*

*In early December, a federal judge in San Francisco approved the IRS request, which Coinbase is now fighting in court as too broad and unnecessarily punitive.*

*Coinbase is noteworthy both as one of the earliest and most successful cryptocurrency startups, as well as a Bitcoin business that is scrupulously compliant with government regulations.*

**Should the IRS have authority to make financial-services companies turn over millions of customer records when they suspect a handful of customers could be evading taxes?**

Most people would respond with an emphatic no, yet this is exactly what the IRS is attempting to do with **Coinbase**, one of the most popular cryptocurrency service providers.

And if the IRS prevails in this privacy-violating crusade against cryptocurrency users, it could have big implications for the future of everyone's digital privacy.

WATCH THIS SPACE

Article published at [reason.com](http://reason.com)  
January 24th 2017

*In a blog post Coinbase CEO Brian Armstrong wrote that the company was proactive in helping its user base comply with IRS rules by building special tools and monitoring all new tax developments. This apparently was not enough to the IRS, who decided to bring out the big guns and try to scrutinize all Coinbase users as suspected criminals. The IRS action against Coinbase is concerning for the digital privacy of all Americans.*

*The legal reasoning behind the IRS attack on Coinbase could easily be applied to all kinds of private data stored in the cloud. The Feds would surely jump at the opportunity to compel platforms to turn over the data of all of their customers so that they can comb through after the fact to find violators.*

## USPS ARE HIRING 'BITCOIN — INTELLIGENCE SPECIALISTS

The public often thinks of bitcoin as anonymous but, in reality, the original crypto currency is anything but. The digital ledger keeps every transaction in open view, raising major privacy questions in age of increasing internet surveillance.

In mid January 2017, the U.S. Postal Inspection Service, the postal service's law enforcement wing, published a job listing for "**Intelligence Gathering Specialist**" with a specialty in identifying bitcoin users.

*"Candidates shall be capable of performing a prioritized assessment of the data to identify the most critical and reliable data in order to*

*identify, bitcoins, locations, accounts, services, travels, email addresses, IP addresses and other pattern of life data in an effort to determine physical attribution of an Internet identity."*



Eastern European  
Hackers hit  
Los Angeles  
Campus.



During winter break.

Imagine returning to work after a winter break to find **ALL** the computers are locked down with a ransom wear virus. Campus management contacted cyber security experts and law enforcement. They were unable to help and the virus was only cleared after the **\$28,000 Bitcoin** Ransom was paid in full.

The current market capitalization for all cryptocurrencies is **\$16 billion**, over **\$14 billion** of which is in bitcoin, according to CoinMarketCap.com.

Much of that has been credited to speculation but there's no question that a significant percentage is real usage.



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The PNLTF Digital Currency Team produce a monthly Crypto Chronicle for members, and maintains a library of media articles featuring bitcoin and other digital currencies.